

Underscored material = new
[bracketed material] = delete

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

SENATE BILL 364

43RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1997

INTRODUCED BY

SHANNON ROBINSON

AN ACT

RELATING TO RETIREE HEALTH CARE; AMENDING THE RETIREE HEALTH CARE ACT TO CHANGE CERTAIN DEFINITIONS, GIVE THE RETIREE HEALTH CARE BOARD MORE DISCRETION IN SETTING CONTRIBUTION LEVELS AND CHANGE CERTAIN PROVISIONS PERTAINING TO INSTITUTIONS OF HIGHER EDUCATION, MUNICIPALITIES AND COUNTIES; AMENDING SECTIONS OF THE NMSA 1978.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 10-7C-4 NMSA 1978 (being Laws 1990, Chapter 6, Section 4, as amended) is amended to read:

"10-7C-4. DEFINITIONS. --As used in the Retiree Health Care Act:

A. "active employee" means an employee of a public institution or any other public employer participating in either the Educational Retirement Act, the Public Employees Retirement

Underscored material = new
[bracketed material] = delete

1 Act, the Judicial Retirement Act, [~~or~~] the Magistrate Retirement
2 Act or the Public Employees Retirement Reciprocity Act or the
3 employee of an independent public employer;

4 B. "authority" means the retiree health care
5 authority created pursuant to the Retiree Health Care Act;

6 C. "basic plan of benefits" means only those
7 coverages generally associated with a medical plan of benefits;

8 D. "board" means the [~~governing~~] board of the
9 retiree health care authority;

10 E. "current retiree" means an eligible retiree who
11 is receiving a disability or normal retirement benefit under the
12 Educational Retirement Act, the Public Employees Retirement Act,
13 the Judicial Retirement Act, the Magistrate Retirement Act [~~the~~
14 ~~Retirement Reciprocity Act, the Judicial Retirement Reciprocity~~
15 ~~Act]~~ or the Public Employees Retirement Reciprocity Act or the
16 retirement program of an independent public employer on or
17 before July 1, 1990;

18 F. "eligible dependent" means a person obtaining
19 retiree health care coverage based upon that person's
20 relationship to an eligible retiree as follows:

21 (1) a spouse;

22 (2) an unmarried child under the age of
23 nineteen who is:

24 (a) a natural child;

25 (b) a legally adopted child;

Underscored material = new
[bracketed material] = delete

1 (c) a stepchild living in the same
2 household who is primarily dependent on the eligible retiree for
3 maintenance and support;

4 (d) a child for whom the eligible retiree
5 is the legal guardian and who is primarily dependent on the
6 eligible retiree for maintenance and support, as long as
7 evidence of the guardianship is evidenced in a court order or
8 decree; or

9 (e) a foster child living in the same
10 household;

11 (3) a child described in Subparagraphs (a)
12 through (e) of Paragraph (2) of this subsection who is between
13 the ages of nineteen and twenty-five and is a full-time student
14 at an accredited educational institution, provided that "full-
15 time student" shall be a student enrolled in and taking twelve
16 or more semester hours or its equivalent contact hours in
17 primary, secondary, undergraduate or vocational school or a
18 student enrolled in and taking nine or more semester hours or
19 its equivalent contact hours in graduate school;

20 (4) a dependent child over nineteen who is
21 wholly dependent on the eligible retiree for maintenance and
22 support and who is incapable of self-sustaining employment by
23 reason of mental retardation or physical handicap, provided that
24 proof of incapacity and dependency shall be provided within
25 thirty-one days after the child reaches the limiting age and at

1 such times thereafter as may be required by the board;

2 (5) a surviving spouse defined as follows:

3 (a) "surviving spouse" means the spouse
4 to whom a retiree was married at the time of death; or

5 (b) "surviving spouse" means the spouse
6 to whom a deceased vested active employee was married at the
7 time of death; or

8 (6) a surviving dependent child who is the
9 dependent child of a deceased eligible retiree whose other
10 parent is also deceased;

11 G. "eligible employer" means either:

12 (1) a "retirement system employer", which means
13 an institution of higher education, a school district or other
14 entity participating in the public school insurance authority, a
15 state agency, state court, magistrate court, municipality or
16 county, each of which is affiliated under or covered by the
17 Educational Retirement Act, the Public Employees Retirement Act,
18 the Judicial Retirement Act, [or] the Magistrate Retirement Act
19 or the Public Employees Retirement Reciprocity Act; or

20 (2) an "independent public employer", which
21 means a municipality or county which is not a retirement system
22 employer;

23 H. "eligible retiree" means:

24 (1) a "nonsalaried eligible participating
25 entity governing authority member" who is a person who is not a

Underscored material = new
[bracketed material] = delete

1 retiree and who:

2 (a) has served without salary as a member
3 of the governing authority of an employer eligible to
4 participate in the benefits of the Retiree Health Care Act and
5 is certified to be such by the executive director of the public
6 school insurance authority;

7 (b) has maintained group health insurance
8 coverage through that member's governing authority if such group
9 health insurance coverage was available and offered to the
10 member during the member's service as a member of the governing
11 authority; and

12 (c) was participating in the group health
13 insurance program under the Retiree Health Care Act prior to
14 July 1, 1993; or

15 (d) if a person eligible under
16 Subparagraph (a) of this paragraph applies before August 1, 1993
17 to the authority to participate in the program, then he will be
18 eligible to participate notwithstanding the provisions of
19 Subparagraphs (b) and (c) of this paragraph;

20 (2) a "salaried eligible participating entity
21 governing authority member" who is a person who is not a retiree
22 and who:

23 (a) has served with salary as a member of
24 the governing authority of an employer eligible to participate
25 in the benefits of the Retiree Health Care Act;

Underscored material = new
[bracketed material] = delete

1 (b) has maintained group health insurance
2 through that member's governing authority, if such group health
3 insurance was available and offered to the member during the
4 member's service as a member of the governing authority; and

5 (c) was participating in the group health
6 insurance program under the Retiree Health Care Act prior to
7 July 1, 1993; or

8 (d) if a person eligible under
9 Subparagraph (a) of this paragraph applies before August 1, 1993
10 to the authority to participate in the program, then he will be
11 eligible to participate notwithstanding the provisions of
12 Subparagraphs (b) and (c) of this paragraph;

13 (3) an "eligible participating retiree" who is
14 a person who:

15 (a) falls within the definition of a
16 retiree, has made contributions to the fund for at least five
17 years prior to retirement and whose eligible employer during
18 that period of time made contributions as a participant in the
19 Retiree Health Care Act on the person's behalf, unless that
20 person retires on or before July 1, 1995, in which event the
21 time period required for employee and employer contributions
22 shall become the period of time between July 1, 1990 and the
23 date of retirement, and who is certified to be a retiree by the
24 educational retirement director, the executive secretary of the
25 public employees retirement board or the governing authority of

. 114000. 2

Underscored material = new
[bracketed material] = delete

1 an independent public employer;

2 (b) falls within the definition of a
3 retiree, retired prior to July 1, 1990 and is certified to be a
4 retiree by the educational retirement director, the executive
5 secretary of the public employees retirement association or the
6 governing authority or of an independent public employer; but
7 this paragraph does not include a retiree who was an employee of
8 an eligible employer who exercised the option not to be a
9 participating employer pursuant to the Retiree Health Care Act
10 and did not after January 1, 1993 elect to become a
11 participating employer; unless the retiree: 1) retired on or
12 before June 30, 1990; and 2) at the time of retirement did not
13 have a retirement health plan or retirement health insurance
14 coverage available from his employer; or

15 (c) is a retiree who: 1) was at the time
16 of retirement an employee of an eligible employer who exercised
17 the option not to be a participating employer pursuant to the
18 Retiree Health Care Act, but which eligible employer
19 subsequently elected after January 1, 1993 to become a
20 participating employer; 2) has made contributions to the fund
21 for at least five years prior to retirement and whose eligible
22 employer during that period of time made contributions as a
23 participant in the Retiree Health Care Act on the person's
24 behalf, unless that person retires less than five years after
25 the date participation begins, in which event the time period

. 114000. 2

Underscored material = new
[bracketed material] = delete

1 required for employee and employer contributions shall become
2 the period of time between the date participation begins and the
3 date of retirement; and 3) is certified to be a retiree by the
4 educational retirement director, the executive secretary of the
5 public employees retirement board or the governing authority of
6 an independent public employer;

7 I. "fund" means the retiree health care fund;
8 J. "group health insurance" means coverage that
9 includes but is not limited to life insurance, accidental death
10 and dismemberment, hospital care and benefits, surgical care and
11 treatment, medical care and treatment, dental care, eye care,
12 obstetrical benefits, prescribed drugs, medicines and prosthetic
13 devices, medicare supplement, medicare carveout, medicare
14 coordination and other benefits, supplies and services through
15 the vehicles of indemnity coverages, health maintenance
16 organizations, preferred provider organizations and other health
17 care delivery systems as provided by the Retiree Health Care Act
18 and other coverages considered by the board to be advisable;

19 K. "ineligible dependents" include but are not
20 limited to:
21 (1) those dependents created by common law
22 relationships;
23 (2) dependents while in active military
24 service;
25 (3) parents, aunts, uncles, brothers, sisters,

Underscored material = new
[bracketed material] = delete

1 grandchildren and other family members left in the care of an
2 eligible retiree without evidence of legal guardianship; and

3 (4) anyone not specifically referred to as an
4 eligible dependent pursuant to the rules and regulations adopted
5 by the board;

6 L. "participating employee" means an employee of a
7 participating employer, which employee has not been excluded
8 from participation in the Retiree Health Care Act pursuant to
9 [~~Subsection F of Section 10-7C-9 NMSA 1978 or~~] Section
10 10-7C-10 NMSA 1978;

11 M "participating employer" means an eligible
12 employer who has satisfied the conditions for participating in
13 the benefits of the Retiree Health Care Act, including the
14 requirements of Subsection M of Section 10-7C-7 NMSA 1978 and
15 Subsection D, [~~or~~] E or G of Section 10-7C-9 NMSA 1978, as
16 applicable; and

17 N. "retiree" means a person who:

18 (1) is receiving:

19 (a) a disability or normal retirement
20 benefit or survivor's benefit under the Educational Retirement
21 Act;

22 (b) a disability or normal retirement
23 benefit or survivor's benefit pursuant to the Public Employees
24 Retirement Act, the Judicial Retirement Act, the Magistrate
25 Retirement Act or the [~~Retirement Reciprocity Act or the~~

Underscored material = new
[bracketed material] = delete

1 ~~Judicial Retirement Reciprocity Act]~~ Public Employees Retirement
2 Reciprocity Act; or

3 (c) a disability or normal retirement
4 benefit or survivor's benefit pursuant to the retirement program
5 of an independent public employer to which that employer has
6 made periodic contributions; or

7 (2) is not receiving a survivor's benefit but
8 is the eligible dependent of a person who received a disability
9 or normal retirement benefit pursuant to the Educational
10 Retirement Act, ~~[or]~~ the Public Employees Retirement Act, the
11 Judicial Retirement Act, the Magistrate Retirement Act or the
12 Public Employees Retirement Reciprocity Act."

13 Section 2. Section 10-7C-7 NMSA 1978 (being Laws 1990,
14 Chapter 6, Section 7) is amended to read:

15 "10-7C-7. BOARD--DUTIES.--In order to achieve the purposes
16 of the Retiree Health Care Act, the board may take all actions
17 reasonably necessary to implement that act, including but not
18 limited to the following:

19 A. employ or contract for the services of the state
20 fiscal agent or select its own fiscal agent in accordance with
21 the Procurement Code;

22 B. employ or contract for persons to assist it in
23 carrying out the Retiree Health Care Act and determine the
24 duties and compensation of these employees;

25 C. collect and disburse funds;

. 114000. 2

Underscored material = new
[bracketed material] = delete

1 D. collect all current and historical claims and
2 financial information necessary for effective procurement of
3 lines of insurance coverage;

4 E. promulgate and adopt necessary rules, regulations
5 and procedures for implementation of the Retiree Health Care
6 Act;

7 F. negotiate insurance policies covering additional
8 or lesser benefits as determined appropriate by the board, and
9 at the board's discretion determine various benefit levels based
10 on retirees' accumulated years of credited service, but the
11 board shall maintain all coverage as required by federal or
12 state law for each eligible retiree. In the event it is
13 practical to wholly self-insure part or all of the retiree
14 health care coverages, the board may do so;

15 G. procure group health care and other coverages
16 authorized by the Retiree Health Care Act in accordance with the
17 Procurement Code;

18 H. establish the procedures for contributions and
19 deductions;

20 I. determine methods and procedures for claims
21 administration;

22 J. administer the fund;

23 K. contract for and make available to all eligible
24 retirees and eligible dependents basic and optional group health
25 insurance plans. The optional coverage may include a lower

. 114000. 2

Underscored material = new
[bracketed material] = delete

1 deductible, lower coinsurance or additional categories of
2 benefits permitted under this section and all other applicable
3 sections of the Retiree Health Care Act to provide additional
4 levels of coverages and benefits. Any additional contributions
5 for these optional plans shall be paid for by the eligible
6 retiree or eligible dependent. The coverage provided by the
7 plan or plans shall be secondary to all other benefit coverages
8 to which the eligible retiree or eligible dependent is entitled.
9 In the event a covered eligible retiree becomes employed by an
10 employer offering its employees a basic plan of benefits, the
11 coverage provided by the plan under the Retiree Health Care Act
12 shall be secondary to such coverage regardless of whether the
13 employee enrolls in that employer's plan. In the event the
14 eligible retiree or eligible dependent is entitled to receive
15 medicare hospital insurance benefits at no charge, then the
16 coverage provided by the plan under the Retiree Health Care Act
17 shall be secondary to medicare hospital and medical insurance to
18 the extent permitted by federal law;

19 L. provide, at its discretion, different plans for
20 eligible retirees and eligible dependents covered by medicare
21 than the plans provided for eligible retirees and eligible
22 dependents who are not covered by medicare; and

23 M promulgate and adopt rules and regulations
24 governing eligibility, participation, enrollment, length of
25 service and any other conditions or requirements for providing

. 114000. 2

Underscored material = new
[bracketed material] = delete

1 substantially equal treatment to participating employers [~~who~~
2 ~~are independent public employers and their retirees and~~
3 ~~participating employees~~]. "

4 Section 3. Section 10-7C-9 NMSA 1978 (being Laws 1990,
5 Chapter 6, Section 9, as amended) is amended to read:

6 "10-7C-9. PARTICIPATION. --

7 A. All eligible employers shall participate in the
8 Retiree Health Care Act except as provided in Subsection D or
9 [Subsection] E of this section. Participating employers are
10 required to continue existing group health insurance coverages
11 until such time as similar coverages are offered by the board
12 under the Retiree Health Care Act.

13 B. Participation in the basic health insurance
14 coverages provided by the authority shall be conditioned upon
15 receipt by the board of a certificate of eligibility from the
16 educational retirement director, the executive secretary of the
17 public employees retirement association, the [executive]
18 director of the public school insurance authority or the
19 governing body of an independent public employer. Once
20 eligibility is established, for each eligible retiree who
21 retires on or after [~~the effective date of the Retiree Health~~
22 ~~Care Act~~] February 13, 1990, the board shall contribute from
23 money in the fund the authority's portion of the premium for the
24 basic plan of benefits commencing no earlier than January 1,
25 1991, plus the balance of the premium which shall be collected

. 114000.2

Underscored material = new
[bracketed material] = delete

1 from the retiree.

2 C. Each eligible retiree shall accept or reject
3 enrollment in the basic plan of benefits on an enrollment form
4 provided by the board. An eligible retiree who rejects
5 enrollment or fails to return a properly executed enrollment
6 form within the open enrollment period as established by the
7 board forfeits all entitlement and eligibility for benefits
8 under the Retiree Health Care Act until the next open enrollment
9 period as established by the board.

10 D. On or before January 1, 1991, municipalities,
11 counties and institutions of higher education that are
12 retirement system employers may at their option determine by
13 ordinance, or for institutions of higher education, by
14 resolution, to be excluded from coverage under the Retiree
15 Health Care Act; that determination shall be subject to the
16 following conditions:

17 (1) any contributions paid into the fund by a
18 municipality, county or institution of higher education that
19 exercises timely an irrevocable option not to participate in the
20 Retiree Health Care Act under this subsection shall be returned
21 without interest to that municipality, county or institution of
22 higher education for return of the employee contributions to the
23 employees and for crediting of the employer contributions to the
24 appropriate fund of the municipality, county or institution of
25 higher education. If the determination to be excluded from

. 114000. 2

Underscored material = new
[bracketed material] = delete

1 coverage is exercised by a municipality, county or institution
2 of higher education prior to July 1, 1990, then that
3 municipality, county or institution of higher education shall
4 not be required to make the contributions that would otherwise
5 be required by Section 10-7C-15 NMSA 1978;

6 (2) any municipality, county or institution of
7 higher education, in addition to complying with all other
8 required notice and public hearing or meeting requirements,
9 shall, no less than thirty days prior to the public hearing or
10 public meeting on a proposed ordinance or proposed resolution,
11 notify the authority of the public hearing or public meeting by
12 certified mail; and

13 (3) in the event that:

14 (a) the number of active employees
15 employed by municipalities contributing to the fund reaches a
16 number equaling sixty percent or more of all active employees
17 employed by all municipalities that are retirement system
18 employers, the municipal position on the board of the authority
19 shall be restored within sixty days of the date that percentage
20 is reached; provided, however, that if a municipality with a
21 population greater than one hundred thousand that is located in
22 a class "A" county exercises this option, then the sixty-percent
23 requirement shall be applied to the remaining municipalities
24 only;

25 (b) the number of active employees

Underscored material = new
[bracketed material] = delete

1 employed by counties contributing to the fund reaches a number
2 equaling sixty percent or more of all active employees employed
3 by all counties that are retirement system employers, the county
4 position on the board of the authority shall be restored within
5 sixty days of the date that percentage is reached; provided,
6 however, that if a class "A" county exercises this option, then
7 the eighty-percent requirement shall be applied to the remaining
8 counties only; or

9 (c) the number of active employees
10 employed by institutions of higher learning contributing to the
11 fund reaches a number equaling seventy percent or more of all
12 active employees employed by an institution of higher education
13 contributing to the educational retirement fund, the institution
14 of higher education position on the board shall be restored
15 within sixty days of the date that percentage is reached.

16 E. An independent public employer may become a
17 participating employer if that employer satisfies the
18 requirements imposed pursuant to Subsection M of Section 10-7C-7
19 NMSA 1978 and if that employer also files with the authority on
20 or prior to January 1, 1991 or prior to July 1, 1993 or July 1
21 of any year a written irrevocable election by the governing body
22 of that employer to participate in the Retiree Health Care Act.
23 Any such independent public employer that chooses to become a
24 participating employer after January 1, 1993 shall begin making
25 the appropriate preliminary employer and employee contributions

Underscored material = new
[bracketed material] = delete

1 to the fund on the July 1 immediately following the adoption of
2 the ordinance or resolution. On the following January 1,
3 eligible retirees of those participating employers and their
4 eligible dependents shall be eligible to receive group health
5 insurance coverage pursuant to the provisions of the Retiree
6 Health Care Act.

7 F. Any other provisions of the Retiree Health Care
8 Act notwithstanding, retirees [~~or active employees~~] of
9 institutions of higher education participating in the Retiree
10 Health Care Act for whom those institutions of higher education
11 have existing plans, programs, policies or contracts for health
12 care benefits shall not be required to participate in the
13 Retiree Health Care Act [~~nor shall employer or employee~~
14 ~~contributions be made to the authority on their behalf~~].

15 G. A municipality or county that enacted an
16 ordinance or an institution of higher education that enacted a
17 resolution prior to January 1, 1991 pursuant to Subsection D of
18 this section to be excluded from coverage under the Retiree
19 Health Care Act may [~~enact~~] become a participating employer if
20 that employer satisfies the requirements imposed pursuant to
21 Subsection M of Section 10-7C-7 NMSA 1978 and if that employer
22 also enacts an ordinance or resolution, as applicable, after a
23 public hearing and published notice of the hearing, prior to
24 July 1, 1993 or July 1 of any year to choose to become a
25 participating employer under the Retiree Health Care Act. Any

Underscored material = new
[bracketed material] = delete

1 such municipality, county or institution of higher education
2 that chooses to become a participating employer after January 1,
3 1993 shall begin making the appropriate preliminary employer and
4 employee contributions to the fund on the July 1 immediately
5 following the adoption of the ordinance or resolution. On the
6 following January 1, eligible retirees of those participating
7 employers and their eligible dependents shall be eligible to
8 receive group health insurance coverage pursuant to the
9 provisions of the Retiree Health Care Act. "

10 Section 4. Section 10-7C-13 NMSA 1978 (being Laws 1990,
11 Chapter 6, Section 13, as amended) is amended to read:

12 "10-7C-13. PAYMENT OF PREMIUMS ON HEALTH CARE PLANS. --

13 A. Each eligible retiree shall pay a monthly premium
14 for the basic plan in an amount set by the board not to exceed
15 the sum of fifty dollars (\$50.00) plus the amount, if any, of
16 the compounded annual increases authorized by the board [~~which~~
17 ~~increases shall not exceed three percent in any fiscal year~~].
18 In addition to the monthly premium for the basic plan, each
19 current retiree and nonsalaried eligible participating entity
20 governing authority member who becomes an eligible retiree shall
21 also pay monthly an additional participation fee set by the
22 board. That fee shall be five dollars (\$5.00) plus the amount,
23 if any, of the compounded annual increases authorized by the
24 board [~~which increases shall not exceed three percent in any~~
25 ~~fiscal year~~]. The additional monthly participation fee paid by

. 114000. 2

Underscored material = new
[bracketed material] = delete

1 the current retirees and nonsalaried eligible participating
2 entity governing authority members who become eligible retirees
3 shall be a consideration and a condition for being permitted to
4 participate in the Retiree Health Care Act. Eligible dependents
5 shall pay monthly premiums in amounts that with other money
6 appropriated to the fund shall cover the cost of the basic plan
7 for the eligible dependents.

8 B. Eligible retirees and eligible dependents shall
9 pay monthly premiums to cover the cost of the optional plans
10 that they elect to receive, and the board shall adopt rules for
11 the collection of additional premiums from eligible retirees and
12 eligible dependents participating in the optional plans. An
13 eligible retiree or eligible dependent may authorize the
14 authority in writing to deduct the amount of these premiums from
15 the monthly annuity payments, if applicable.

16 C. The participating employers, active employees and
17 retirees are responsible for the financial viability of the
18 program. The overall financial viability is not an additional
19 financial obligation of the state."

20 Section 5. Section 10-7C-15 NMSA 1978 (being Laws 1990,
21 Chapter 6, Section 15) is amended to read:

22 "10-7C-15. RETIREE HEALTH CARE FUND CONTRIBUTIONS. --

23 A. Following completion of the preliminary
24 contribution period, each participating employer for the fiscal
25 year beginning July 1, 1990 and thereafter shall make

Underscored material = new
[bracketed material] = delete

1 contributions to the fund in the amount of one percent of each
2 participating employee's annual salary.

3 B. Following completion of the preliminary
4 contribution period, each participating employee as a condition
5 of employment for the fiscal year commencing July 1, 1990 and
6 thereafter shall contribute to the fund an employee contribution
7 in an amount equal to one-half of one percent of the employee's
8 salary. Each month, participating employers shall deduct the
9 contribution from the participating employee's salary and shall
10 remit it to the board as provided by any procedures that the
11 board may require.

12 C. A participating employer that fails to remit
13 before the tenth day after the last day of the month all
14 employer and employee deposits required by the Retiree Health
15 Care Act to be remitted by the employer for the month shall pay
16 to the fund, in addition to the deposits, interest on the unpaid
17 amounts at the rate of six percent per ~~annum~~ year compounded
18 monthly.

19 D. The employer and employee contributions shall be
20 paid in monthly installments based on the percent of payroll
21 certified by the employer.

22 E. Except in the case of erroneously made
23 contributions or as may be otherwise provided in Subsection D
24 of Section ~~[9 of the Retiree Health Care Act]~~ 10-7C-9 NMSA 1978,
25 contributions from participating employers and participating

Underscored material = new
[bracketed material] = delete

1 employees shall become the property of the fund on receipt by
2 the board and shall not be refunded under any circumstances,
3 including termination of employment or termination of the
4 participating employer's operation or participation in the
5 Retiree Health Care Act.

6 F. Notwithstanding any other provision in the
7 Retiree Health Care Act and at the first session of the
8 legislature following July 1, 1995, the legislature shall review
9 and adjust the distribution pursuant to Section 7-1-6.1 NMSA
10 1978 and the employer and employee contributions to the
11 authority in order to [~~insure~~] ensure the actuarial soundness of
12 the benefits provided under the Retiree Health Care Act. "

13 Section 6. Section 10-7C-16 NMSA 1978 (being Laws 1990,
14 Chapter 6, Section 16, as amended) is amended to read:

15 "10-7C-16. RETIREE HEALTH CARE FUND--BUDGET. --
16 Expenditures for the administration of the Retiree Health Care
17 Act shall be made as provided by an operating budget adopted by
18 the board and approved by the state budget division of the
19 department of finance and administration as provided by law and
20 pursuant to appropriation by the legislature. [~~For the~~
21 ~~development and administration of the program, up to ten full-~~
22 ~~time equivalents are hereby authorized by the legislature.]"~~

1 FORTY-THIRD LEGISLATURE

2 FIRST SESSION, 1997

SB 364/a

3
4
5 March 5, 1997

6
7 Mr. President:

8
9 Your PUBLIC AFFAIRS COMMITTEE, to whom has been
10 referred

11
12 SENATE BILL 364

13
14 has had it under consideration and reports same with
15 recommendation that it DO PASS, amended as follows:

16
17 1. On page 1, line 15, after the semicolon insert "PROVIDING
18 FOR HEALTH CARE COVERAGE FOR DELAYED RETIREES;".

19
20 2. On page 2, between lines 17 and 18, insert the following
21 new subsection:

22
23 "F. "delayed retiree" means a retiree who is receiving a
24 disability or normal retirement benefit from an eligible
25 participating employer and who, at the time of leaving the
employment of the eligible employer, was fully vested in that

FORTY-THIRD LEGISLATURE
FIRST SESSION, 1997

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

SPAC/SB 364

Page 23

employer's retirement program but was not yet eligible to receive retirement benefits from that program;".

3. Reletter the succeeding subsections accordingly.

4. On page 7, line 7, strike "paragraph" and insert in lieu thereof "subparagraph".

5. On page 7, line 14, strike "or".

6. On page 8, line 6, after the semicolon insert "or".

7. On page 8, between lines 6 and 7, insert the following new subparagraph:

"(d) is a delayed retiree;".

Underscored material = new
[bracketed material] = delete

FORTY-THIRD LEGISLATURE
FIRST SESSION, 1997

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

SPAC/SB 364

Page 24

8. On page 11, line 10, before the comma, insert "for delayed retirees effective July 1, 1997 and for eligible retirees retiring on or after July 1, 1998".,

and thence referred to the FINANCE COMMITTEE.

Respectfully submitted,

Shannon Robinson, Chairman

Adopted _____ Not Adopted _____
(Chief Clerk) (Chief Clerk)

Date _____

The roll call vote was 4 For 1 Against

Underscored material = new
[bracketed material] = delete

FORTY-THIRD LEGISLATURE
FIRST SESSION, 1997

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

SPAC/SB 364

Page 25

Yes: 4

No: Smith

Excused: Adair, Garcia, Ingle, Vernon

Absent: None

S0364PA1

. 118041. 1

. 114000. 2

Underscored material = new
~~[bracketed material] = delete~~

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

FORTY-THIRD LEGISLATURE
FIRST SESSION, 1997

SPAC/SB 364

Page 26

FORTY-THIRD LEGISLATURE
FIRST SESSION, 1997

March 12, 1997

Mr. President:

Your FINANCE COMMITTEE, to whom has been referred

SENATE BILL 364, as amended

has had it under consideration and reports same with
recommendation that it DO PASS.

Respectfully submitted,

Ben D. Altamirano, Chairman

FORTY-THIRD LEGISLATURE
FIRST SESSION, 1997

SPAC/SB 364

Page 27

Adopted _____ Not Adopted _____
(Chief Clerk) (Chief Clerk)

Date _____

The roll call vote was 6 For 0 Against

Yes: 6

No: None

Excused: Carraro, Ingle, Lyons, McKibben, Fidel

Absent: None

S0364FC1

FORTY-THIRD LEGISLATURE

FIRST SESSION

March 13, 1997

SENATE FLOOR AMENDMENT number _____ to SENATE BILL 364, as amended

Amendment sponsored by Senator Shannon Robinson

1. On page 18, line 17, before the period insert ", which increases shall not exceed the group's projected medical trend for the fiscal year".

Shannon Robinson

118851.1

Underscored material = new
[bracketed material] = delete

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

FORTY-THIRD LEGISLATURE
FIRST SESSION

SB 364, aa

Page 29

Adopted _____ Not Adopted _____
(Chief Clerk) (Chief Clerk)

Date _____

Underscored material = new
[bracketed material] = delete

118851.1

FORTY-THIRD LEGISLATURE

FIRST SESSION

March 13, 1997

SENATE FLOOR AMENDMENT number _____ to SENATE BILL 364, as amended

Amendment sponsored by Senator Shannon Robinson

1. On page 18, line 17, before the period insert ", which increases shall not exceed the group's projected medical trend for the fiscal year".

Shannon Robinson

118851.1

Underscored material = new
[bracketed material] = delete

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

FORTY-THIRD LEGISLATURE
FIRST SESSION

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

SB 364, aa

Page 31

Adopted _____ Not Adopted _____
(Chief Clerk) (Chief Clerk)

Date _____

118851.1

Underscored material = new
~~[bracketed material]~~ = delete

State of New Mexico House of Representatives

FORTY-THIRD LEGISLATURE
FIRST SESSION, 1997

March 18, 1997

Mr. Speaker:

Your GOVERNMENT AND URBAN AFFAIRS COMMITTEE, to
whom has been referred

SENATE BILL 364, as amended

has had it under consideration and reports same with
recommendation that it DO PASS, and thence referred to the
APPROPRIATIONS AND FINANCE COMMITTEE.

Respectfully submitted,

Lynda M. Lovejoy, Chairwoman

FORTY-THIRD LEGISLATURE
FIRST SESSION, 1997

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Adopted _____ Not Adopted _____

(Chief Clerk)

(Chief Clerk)

Date _____

The roll call vote was 5 For 0 Against

Yes: 5

Excused: Hobbs, Pederson, Taylor, JG

Absent: None

M \S0364

Underscored material = new
~~[bracketed material] = delete~~